

HERTI SUPPLIER RULES OF CONDUCT

Opening Statement

Herti JSC is engaged with high social, ecological and ethical standards, which reflect our strive for high-quality product and our management, share holders and employee's strong believes and interests. The Code of Conduct embodies the irrevocable minimum standards of integrity of Herti HSC and our commitment to international standards such as United Nation Global contract <https://www.unglobalcompact.org/> and the 10 principles of the United Nation Global contract <https://www.unglobalcompact.org/what-is-gc/mission/principles>

Scope

The Code of Conduct sets forth expectations for the Supplier with whom Herti JSC does business, including their parent, subsidiary or affiliates, third parties and all others with whom they do business, as well as their employees.

The Code is addition to the contracts for supply. Signing and committing to the Code does not bring any benefits for the Supplier.

The present Code of Conduct allows Herti JSC to verify compliance by conducting audits/assessments. Any incompliance, which could not be generally solved, could be used as a possible reason for terminating of an active contract.

Human rights and labor standards

Employment practices. The Supplier employs workers in accordance to the Applicable Labor Laws and is responsible for validating the respective documentation. All work shall be voluntary, the workers are free to leave work or terminate their employment upon reasonable notice. The Supplier should grant its Employees the right to freedom of association and collective bargaining. To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.

The Supplier respects the basic principles of the International Labor Organization (ILO) on the minimum age, indicating that no child below 15 years (or under the age defined by the applicable national law) is allowed to work, and follows the EU General Data Protection Regulation (GDPR).

Forced labor. The Supplier must under no circumstances use, or in any other way benefit from forced labor, i.e. any form of indentured servitude such as physical punishment, confinement, threats or violence as a method of discipline or control, such as retaining employees' identification, passport, work permits.

Fair and Equal Treatment. The Supplier shall not discriminate in hiring and employment practices on the grounds of criteria such as of race, colour, religion, gender, age, physical

ability, national origin, sexual orientation, political affiliation. The Supplier shall respect the privacy rights of its employees whenever it gathers private information.

Working hours and rest days. The Supplier must ensure that its employees work in compliance with all applicable laws and mandatory industry standards pertaining to regular working hours, and overtime hours, including for breaks, rest periods, holidays, and maternity and paternity leaves. In absence of law, the Supplier shall not require a regular work week over 60 hours, employees shall be allowed at least one day off after six consecutive days of work, and any overtime worked shall be voluntary and compensated at premium rate.

Work environment. The Supplier shall provide its employees with a safe and healthy working environment. As a minimum, potable drinking water, adequate lighting, temperature, ventilation, sanitation, and personal protective equipment must be provided together with equipped work stations. In addition, facilities must be constructed and maintained in accordance with the standards set by applicable laws and regulations.

Everyone has the right to be treated with respect at the work place. Mutual respect is mandatory for harmonic working atmosphere, where person's dignity is preserved and respected and any kind of threat or discrimination is prohibited.

Environment, health and safety

Emergency procedures. The Supplier shall be prepared for emergency situations. This includes worker notification and evacuation procedures, emergency training and drills, appropriate first-aid supplies, appropriate fire detection and suppression equipment, and adequate exit facilities.

Quality and safety of the product. All products and services delivered by the Supplier must meet the quality and safety standards required by applicable law. The Supplier shall identify hazardous materials, chemicals and substances, and ensure their safe handling, movement, storage, recycling, reuse and disposal. Supplier shall comply with material restrictions and product safety requirements set by applicable laws and regulations. Suppliers shall ensure that key employees are aware of and trained in product safety practices.

Environment sustainability. The Supplier shall document and implement a relevant environmental management system, , designed to identify, control and mitigate significant environmental impacts.

Business ethics

Business integrity. The Supplier must never, directly or through intermediaries, offer or promise any personal or improper advantage in order to obtain or retain a business or other advantage. The Supplier will not pay or accept bribes and shall not take any actions to violate, or cause its business partners to violate, any applicable anti-bribery laws and regulations.

The Supplier shall maintain transparent and up to date books and records to demonstrate compliance with applicable materials, services, governmental and industry regulations. Company documentation should be available for auditing.

Intellectual property. The Supplier shall take appropriate steps to safeguard and maintain confidential and proprietary information of its business partners and use such information only for the purposes authorized for use by the contractual agreement. In case of sub-contracting, sharing of confidential information should be made with the consent of HERTI JSC.

SIGNED AND APPROVED

Name of Company



Name and Title

Zakariyev Zakariyev

Signature

Date and Place: *16.01.2018*